

For: State and County Offices

Transition of Farm Credit Programs into County Office Operations

Approved by: Acting Deputy Administrator, Farm Credit Programs

Sau Anne Kling

1 Overview

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Background

The transfer of farm credit programs and employees from RECD to CFSA becomes effective October 2, 1995. Programs being transferred will be administered locally by Agricultural Credit Teams (Ag Credit Teams) who will provide service to the public through 1 or more CFSA County Offices. CFSA County Offices will participate and assist in the delivery of farm credit programs to the public.

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Purpose

The purpose of this notice is to provide guidance on:

- establishing and maintaining farm credit program minifiles
- staffing the headquarters office of the Ag Credit Team on a daily basis
- obtaining status of loan accounts
- required training before County Office employees are provided responsibilities in the farm credit program

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Disposal

March 1, 1996

Distribution

State Offices; State Offices relay to County Offices and Ag Credit Teams

Notice FC-1

1 Overview, *Continued*

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Purpose, *Continued*

- role of DD's with Ag Credit Teams.

Note: This notice establishes an FC series for relaying procedures related to farm credit programs.

2 Action

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Establishing and Maintaining Minifiles

Ag Credit Teams providing service through more than 1 County Office may establish minifiles for farm credit program borrowers who will be serviced from satellite CFSA offices. Minifiles will not be established for borrowers receiving service from County Offices collocated with the Ag Credit Team. The Ag Credit Loan Officer and borrower should make the decision on where the borrower will be serviced.

Minifiles must contain sufficient information to ensure that the satellite office can assist borrowers with activities, such as making crop releases and receiving payments, without waiting for the Ag Credit Team to visit the County Office. Ag Credit Teams shall regularly update minifiles. A direct loan minifile must be established for borrowers with both loan types.

For direct loans secured by chattels, the minifile shall include current copies of:

- Form FmHA 1962-1, Agreement for the Use of Proceeds/Release of Chattel Security
 - Form FmHA 431-2, Farm and Home Plan
 - Form FmHA 440-4, Security Agreement
 - Form FmHA 1905-5, Management System Card, or equivalent information from the Management Record System
 - UCC filings and continuation statements.
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2 Action, Continued

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**Establishing and
Maintaining
Minifiles, Continued**

For direct loans secured by real estate, the minifile shall include current copies of:

- Form FmHA 1905-5, Management System Card, or equivalent information from the Management Record System
- Mortgages or Deeds of Trust, as well as copies of completed partial releases.

For guaranteed loans, the minifile shall include copies of:

- Form FmHA 1905-5, Management System Card, or equivalent information from the Management Record System
 - Form FmHA 449-34, Loan Note Guarantee, and/or Form 1980-27, Contract of Guarantee
 - Form FmHA 1980-25, Farmer Programs Application, for each loan
 - Form FmHA 1980-41, Guaranteed Loan Status Report.
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**Staffing Farm
Credit Team
Headquarters**

There should always be at least a team leader and an employee stationed in every Ag Credit Team headquarters.

Ag Credit Team telephones shall be programmed to transfer to CFSA County Office personnel that are collocated with the Ag Credit Team.

Ag Credit Teams shall:

- provide County Offices that are serviced by the Team with monthly work calendars
 - notify these County Offices of any significant changes in employees' work plans.
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Notice FC-1

2 Action, *Continued*

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Obtaining Loan Status

Until computer compatibility is available, status of loan accounts can only be obtained by contacting the Ag Credit Team assigned to the area. Copies of status reports may be faxed to the requesting office to avoid any significant delay.

D

Training County Office Employees on Farm Credit Programs

To ensure quality customer service, County Offices will need to participate and assist in the delivery of farm credit programs to the public.

- Initially, service will be provided under the direct supervision of the Ag Credit Team.
- As training is provided and experience gained under the supervision of the Ag Credit Teams, SED's may delegate authority to County Office employees. Authority may be delegated upon the recommendation of DD with concurrence of the Ag Credit Programs Chief.

Training will be provided to County Office employees under 3 phases according to the CFSA Cross Training Guide.

Authority to apply payments, make releases of normal income security, and make security inspections may be granted to County Office employees upon completion of Phase 1 of the Training Guide.

Authorities may be granted to County Office employees as training is completed and experience is gained, according to Notice AO-1088.

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Notice FC-1

2 Action, *Continued*

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Role of DD's

DD's:

- are responsible for the success of farm credit programs within their district
 - will supervise the Ag Credit Teams located within their district
 - shall use the District Director Handbook as a reference to assist them in performing their supervisory responsibilities.
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3 Contacts

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Contacts in National Office

Direct questions about this notice to the Acting Deputy Administrator for Farm Credit Programs, through the Area Office.
